



6351-01-P

COMMODITY FUTURES TRADING COMMISSION

Agency Information Collection Activities: Extension of Information Collections under the Dodd-Frank Act

AGENCY: Commodity Futures Trading Commission.

ACTION: Notice.

SUMMARY: The Commodity Futures Trading Commission (“Commission” or “CFTC”) is announcing an opportunity for public comment on the extension of two information collections (ICs), one concerning the filing of an annual report provided for in the Derivatives Clearing Organization General Provisions and Core Principles regulations and the other concerning the filing of a Subpart C Election Form and other reporting and recordkeeping requirements provided for in subpart C, part 39 of the Commission Regulations. Under the Paperwork Reduction Act (“PRA”), Federal agencies are required to publish notice in the Federal Register concerning each proposed collection of information, including each proposed extension of an existing collection, and to allow 60 days for public comment.

DATES: Comments must be submitted on or before **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

ADDRESSES: You may submit comments, identified by OMB Control No. 3038-0081 by any of the following methods:

- The Agency’s web site, at <http://comments.cftc.gov/>. Follow the instructions for submitting comments through the web site.
- Mail: Christopher Kirkpatrick, Secretary of the Commission, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street, NW., Washington, DC 20581.

- Hand Delivery/Courier: Same as Mail above.
- Federal eRulemaking Portal: <http://www.regulations.gov/>. Follow the instructions

for submitting comments through the Portal.

Please submit your comments using only one method.

FOR FURTHER INFORMATION CONTACT: Tracey Wingate, Special Counsel, Division of Clearing and Risk, Commodity Futures Trading Commission, (202) 418-5318; email: twingate@cftc.gov.

SUPPLEMENTARY INFORMATION: Under the PRA, 44 U.S.C. 3501 *et seq.*, Federal agencies must obtain approval from the Office of Management and Budget (OMB) for each collection of information they conduct or sponsor. “Collection of Information” is defined in 44 U.S.C. 3502(3) and 5 CFR 1320.3 and includes agency requests or requirements that members of the public submit reports, keep records, or provide information to a third party. Section 3506(c)(2)(A) of the PRA, 44 U.S.C. 3506(c)(2)(A), requires Federal agencies to provide a 60-day notice in the Federal Register concerning each proposed collection of information before submitting the collection to OMB for approval. To comply with this requirement, the CFTC is publishing notice of the proposed collection of information listed below.

This notice solicits comments on two ICs contained in OMB Control No. 3038-0081: (A) the filing of an annual report provided for in Derivatives Clearing Organization General Provisions and Core Principles¹ (part 39 of the Commission Regulations); and, (B) filing of the Subpart C Election Form provided for in subpart C, part 39 of the Commission Regulations for DCOs that elect to be held to the same standards as systemically important DCOs (“SIDCOs”) regulatory requirements (“Subpart C DCOs”). These additional standards are mandatory for

¹ OMB Control No. 3038-0081 is being retitled to more accurately reflect the information collections covered.

SIDCOs and optional for Subpart C DCOs. An agency may not conduct or sponsor, and a person is not required to respond to, an information collection unless it displays a valid OMB control number. An explanation of the ICs and the current burden estimates are provided for below:

Title: Derivatives Clearing Organizations, General Regulations and International Standards; OMB Control No. 3038–0081. This is a request for extension of a currently approved OMB Control No. 3038-0081.

Abstract:

(A) Annual report provided for in Derivatives Clearing Organization General Provisions and Core Principles. Section 725(c) of the Dodd-Frank Act amended Section 5b(c)(2) of the CEA to allow the Commission to establish regulatory standards for compliance with the DCO core principles. Accordingly, the Commission adopted a final rule to set specific standards for compliance with DCO Core Principles.² The DCO Final Rule requires the appointment of a CCO, the filing of an annual report and adherence to certain recordkeeping requirements³. It also allows the Commission to collect information at other times as necessary. The information collected in the annual report pursuant to those regulations is necessary for the Commission to evaluate whether DCOs are complying with Commission regulations.

(B) Subpart C Election Form and other reporting and recordkeeping requirements provided for in subpart C, part 39 of the Commission Regulations. In the Derivatives Clearing

² See Derivatives Clearing Organization General Provisions and Core Principles, 76 FR 69334 (November 8, 2011) (DCO Final Rule).

³ These DCO recordkeeping requirements and associated costs are captured in separate proposed rulemakings under separate OMB Control Nos.; specifically, see Risk Management Requirements for Derivatives Clearing Organizations; 76 FR 3698 (Jan. 20, 2011)(OMB Control No. 3038-0076); Information Management Requirements for Derivatives Clearing Organizations, 75 FR 78185 (Dec. 15, 2010))(OMB Control No. 3038-0069); and Financial Resources requirements for Derivatives Clearing Organizations, 75 FR 63113 (Oct. 14, 2010)(OMB Control No. 3038-0066).

Organizations and International Standards final rule (SIDCO-Subpart C DCO Final Rule),⁴ the Commission adopted amendments to its regulations to establish additional standards for compliance with the DCO core principles set forth in Section 5b(c)(2) of the CEA for SIDCOs and Subpart C DCOs which are consistent with certain international standards. Specifically, the additional requirements address any remaining gaps between the Commission's existing regulations and the Principles for Financial Market Infrastructures (“PFMI”) published by the Committee on Payments and Market Infrastructures and the Board of the International Organization of Securities Commissions.

The SIDCO-Subpart C DCO Final Rule also established the process whereby DCO and DCO applicants, respectively, may elect to become Subpart C DCOs subject to the provisions of Subpart C. The election involves filing the Subpart C Election Form contained in appendix B to part 39 of the Commission’s regulations, which involves completing certifications, providing exhibits, and drafting and publishing responses to the PFMI Disclosure Framework and PFMI Quantitative Information Disclosure, as applicable. Additionally, the SIDCO-Subpart C DCO Final Rule provides for Commission requests for supplemental information from those requesting Subpart C DCO status; requires amendments to the Subpart C Election Form in the event that a DCO or DCO Applicant, respectively, discovers a material omission or error in, or if there is a material change in, the information provided in the Subpart C Election Form; to submit a notice of withdrawal to the Commission in the event the DCO or DCO applicant determines not to seek Subpart C DCO status prior to such status becoming effective; and procedures by which a Subpart C DCO may rescind its Subpart C DCO status after it has been permitted to take

⁴ See Derivatives Clearing Organizations and International Standards, 78 FR 72476 (December 2, 2013) (SIDCO-Subpart C DCO Final Rule).

effect. Further, each of these requirements implies recordkeeping that would be produced by a DCO to the Commission on an occasional basis to demonstrate compliance with the rules. The information that would be collected under in subpart C, part 39 of the Commission Regulations is necessary for the Commission to determine whether a DCO meets the Subpart C DCO standards and is likely to be able to maintain compliance with such standards; to evaluate whether SIDCOs and Subpart C DCOs are complying with Commission regulations; and to perform risk analyses with respect to SIDCOs and Subpart C DCOs.

With respect to the collection of information, the CFTC invites comments on:

- Whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information will have a practical use;
- The accuracy of the Commission's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;
- Ways to enhance the quality, usefulness, and clarity of the information to be collected; and
- Ways to minimize the burden of collection of information on those who are to respond, including through the use of appropriate automated electronic, mechanical, or other technological collection techniques or other forms of information technology; e.g., permitting electronic submission of responses.

All comments must be submitted in English, or if not, accompanied by an English translation. Comments will be posted as received to <http://www.cftc.gov>. You should submit only information that you wish to make available publicly. If you wish the Commission to consider information that you believe is exempt from disclosure under the Freedom of

Information Act, a petition for confidential treatment of the exempt information may be submitted according to the procedures established in § 145.9 of the Commission's regulations.⁵

The Commission reserves the right, but shall have no obligation, to review, pre-screen, filter, redact, refuse or remove any or all of your submission from <http://www.cftc.gov> that it may deem to be inappropriate for publication, such as obscene language. All submissions that have been redacted or removed that contain comments on the merits of the Information Collection Request will be retained in the public comment file and will be considered as required under the Administrative Procedure Act and other applicable laws, and may be accessible under the Freedom of Information Act.

Burden Statement: The total annual time burden for all respondents is estimated to be 18,472 hours.

See Appendix A for an individual breakdown for burden for annual reports provided for in Derivatives Clearing Organization General Provisions and Core Principles.

See Appendix B for an individual breakdown for burden for Subpart C Election Form and other reporting and recordkeeping requirements provided for in subpart C, part 39 of the Commission Regulations.

(Authority: 44 U.S.C. 3501 et seq.)

Dated: May 19, 2017

Robert N. Sidman,

Deputy Secretary of the Commission.

⁵ 17 CFR 145.9.

Appendix A – Derivatives Clearing Organization General Provisions and Core Principles

OMB Collection 3038-0081

Annual Reporting Requirements For Derivatives Clearing Organizations

Estimated # of Respondents Per Year	Reports Annually by Each Respondent	Total Annual Responses	Estimated Average Number of Hours Per Response	Estimated Total Number of Hours of Annual Burden in Fiscal Year (maximum: 12 X 80)
12	1	12	40-80	480-960

Appendix B – Subpart C Election Form and other reporting and recordkeeping requirements provided for in subpart C, part 39 of the Commission Regulations

OMB Collection 3038-0081

SIDCO/SUBPART C DCO REGULATIONS – REPORTING COLLECTION

	Estimated # of Respondents Per Year	Reports Annually by Each	Total Annual Responses	Estimated Average Number of Hours Per Response	Estimated Total Number of Hours of Annual Burden in Fiscal Year
Certifications - Subpart C Election Form	5	1	5	25	125
Exhibits A thru G - Subpart C Election Form	5	1	5	155	775
Disclosure Framework	5	1	5	200	1,000

Responses					
Quantitative Information Disclosures	5	1	5	80	400
Supplemental Information	5	5	25	45	1,125
Amendments to Subpart C Election Form	5	3	15	8	120
Withdrawal Notices	1	1	1	2	2
Rescission Notices	1	75	75	3	225
Written Governance Arrangements	7	1	7	200	1,400
Governance Disclosures	7	6	42	3	126
Financial and Liquidity Resource Documentation	7	1	7	120	840
Stress Test Results	7	16	112	14	1,568
Disclosure Framework Requirements (SIDCOs Only)	2	1	2	200	400
Disclosure Framework Requirements (Both)	7	1	7	80	560
Quantitative Information Disclosures (SIDCOs Only)	2	1	2	80	160
Quantitative Information Disclosures (Both)	7	1	7	35	245
Transaction, Segregation, Portability Disclosures	7	2	14	35	490

Efficiency and Effectiveness Review	7	1	7	3	21
Recovery and Wind-Down Plan	7	1	7	480	3,360
TOTALS		120	350	1,768	12,942

**SIDCO/SUBPART C DCO REGULATIONS – RECORDKEEPING
COLLECTION**

	Estimated # of Recordkeepers Per Year	Records to Be Kept Annually by Each	Total Annual Responses	Estimated Average Number of Hours Per Record	Estimated Total Number of Hours of Annual Burden in Fiscal Year
Generally	5	82	410	1	2,050
Liquidity Resource Due Diligence and Testing	7	4	28	10	280
Financial and Liquidity Resources, Excluding Due Diligence	7	4	28	10	280
Generally	7	28	196	10	1960
TOTALS		118	662	31	4570

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